

REPRESENTATIVE FOR PETITIONER:
John Yanek, Innovative Property Tax Solutions

REPRESENTATIVE FOR RESPONDENT:
Catherine Lane, Knox County Assessor

**BEFORE THE
INDIANA BOARD OF TAX REVIEW**

Vanessa Purdom,	)	Petition No.:	42-023-13-3-5-001088-17
)		
Petitioner,	)	Parcel No.:	42-12-35-300-007.000-023
)		
v.	)	County:	Knox
)		
Knox County Assessor,	)	Township:	Vincennes
)		
Respondent.	)	Assessment Year:	2013

Appeal from the Final Determination of the
Knox County Property Tax Assessment Board of Appeals

November 14, 2018

FINAL DETERMINATION

INTRODUCTION

1. Indiana Code § 6-1.1-20.6-7.5 provides credits that cap taxes at a specified percentage of gross assessed value based on the type of property at issue. The 1% cap for property classified as a homestead is linked to a deduction known as the standard deduction. Previously, a property qualified for the 1% cap if it was merely eligible for the standard deduction. That changed in 2013 when the legislature amended the tax-cap statute to require a grant of the standard deduction in order to qualify for the 1% cap. Because Vanessa Purdom was not granted the standard deduction for 2013, her property did not qualify for the 1% cap.

PROCEDURAL HISTORY

2. On October 5, 2016, Purdom filed a Form 133 petition for correction of an error with the Knox County Assessor. When nobody acted on the petition, she filed an appeal with us on July 6, 2017.¹
3. On April 19, 2018, our designated administrative law judge, Kyle C. Fletcher (“ALJ”), held a hearing Purdom’s petition. Neither he nor the Board inspected the property.
4. John Yanek appeared for Purdom as a certified tax representative. Yanek, Knox County Assessor Catherine Lane, and deputy auditor Chris Moon testified.
5. Purdom submitted the following exhibits:
 - Petitioner Exhibit 1: Indiana Operator Licenses for Vanessa and David Purdom, AT&T monthly statement for January 2013, AT&T monthly statement for February 2012
 - Petitioner Exhibit 2: *Purdom v. Knox Cnty Ass’r*, pet. no. 42-023-13-3-5-00001 (IBTR Sep’t 2, 2015)
 - Petitioner Exhibit 3: *Heaney v. St. Joseph Cnty. Ass’r*, pet. no. 71-001-08-3-5-00001 (IBTR Apr. 9, 2012)
 - Petitioner Exhibit 4: *Martin v. Ripley Cnty. Ass’r*, pet no. 69-003-09-1-5-00001 (IBTR)
 - Petitioner Exhibit 5: December 12, 2011 letter from the Knox County Auditor’s office
6. The Assessor did not offer any exhibits.
7. The record also includes the following: (1) all petitions, motions, or other documents filed by the parties, (2) all orders or notices issued by the Board or our ALJ, and (3) an audio recording of the hearing.

¹ Although Purdom filed a Form 131 petition with us, she sought to continue the correction-of-error process that she began with her Form 133 petition.

FINDINGS OF FACT

8. The property at issue is a single-family residence located at 3052 E. State Road 61 in Vincennes. Purdom bought the property in March 2011 and has lived there with her husband since that date. Purdom received the standard deduction for the property in 2011-2012, apparently because the previous owner had received the deduction. The parties agree that Purdom did not receive the standard deduction for the property in 2013. *Lane testimony; Moon testimony; Yanek testimony; Pet'r Ex. 2 at ¶ 32.*

9. Purdom's certified tax representative, John Yanek, testified that Purdom had "filed . . . for" the deduction for 2012, pointing to a December 12, 2011 letter from the Knox County Auditor's office indicating that the office was returning "your Homestead form for the following reason(s)." The letter had a mark by the line titled "[r]equest last 5 digits of Homeowner or Spouse's Drivers License." It also had a mark by "Other," with a notation to "[p]lease include valid IN license numbers or proof of residency." The top right corner had a notation "Hand Delivered 1/23/12 with utility bill." According to Yanek, the letter showed that Purdom received the deduction in 2012 and other exhibits showed that she received it from 2014 forward, which was further evidence that she was eligible for the deduction in 2013 even if she did not actually receive it. *Pet'r Ex. 5; Yanek testimony and argument.*

10. Purdom, however, did not claim that she should be granted the standard deduction for 2013. Indeed, the parties previously litigated whether Purdom was wrongfully denied the standard deduction for 2013, with the central issue being whether she had filed a certified statement or otherwise properly applied for the deduction for that year. We found against Purdom in that appeal. While we noted that the property was Purdom's principal place of residence, we found that she had not filed a certified statement claiming the deduction for 2013 and that she did not qualify for any of the statutory exceptions that would have excused her from doing so. *Yanek testimony; Lane testimony; Pet'r Exs. 1-2.*

CONCLUSIONS OF LAW AND ANALYSIS

11. Indiana provides credits that effectively cap property tax liability at a specified percentage of gross assessed value. I.C. § 6-1.1-20.6-7.5. The amount of the credit depends on the property's classification. *Id.* Property defined as a homestead under the tax-cap statute gets a 1% cap while other residential property gets a 2% cap. I.C. § 6-1.1-20.6-7.5(a)(1)-(2). Purdom claims that her property met the definition of a homestead and therefore qualified for the 1% cap because it was eligible for the standard deduction, while the Assessor argues that Purdom needed to have been granted the standard deduction in order for her property to qualify for the 1% cap.
12. We agree with the Assessor. Before 2013, the tax-cap statute defined a homestead as “a homestead that [was] *eligible for* a standard deduction under I.C. 1.1-12-37.” I.C. § 6-1.1-20.6-2(a) (2012) (emphasis added). In 2013, however, the legislature passed emergency legislation changing the definition of a homestead to “a homestead that *has been granted* a standard deduction under I.C. 1.1-12-37.” *See* 2013 Ind. Acts 257, § 28. The amendment took effect May 11, 2013.
13. Thus, beginning with the 2013 assessment year, mere eligibility for the standard deduction was not enough to qualify for the 1% cap; instead, a property needed to have been granted that deduction. Following the amendment, taxpayers like Purdom had almost seven months to apply for (and be granted) the standard deduction if they wanted their taxes based on the 2013 assessment to be capped at 1%. *See* I.C. § 6-1.1-12-37(e) (2013) (providing that statement claiming a standard deduction must be completed and dated within the calendar year for which the person claims the deduction and filed with the county auditor by January 5 of the succeeding year).
14. Although Purdom previously claimed that she applied for the standard deduction for the 2013 assessment year, she litigated that claim and lost. Despite offering the letter from the Auditor's office, she does not seek to re-litigate that claim. We therefore need not decide whether she would be barred from doing so. In any case, it is undisputed that

Purdom was not granted the standard deduction for 2013. Thus, her property failed to qualify for the 1% cap for that year.

FINAL DETERMINATION

15. Because Purdom was not granted a standard deduction for 2013, we deny her claim that she was entitled to a credit capping her taxes at 1% of her property's gross assessed value for that year.

Chairman, Indiana Board of Tax Review

Commissioner, Indiana Board of Tax Review

Commissioner, Indiana Board of Tax Review

- APPEAL RIGHTS -

You may petition for judicial review of this final determination under the provisions of Indiana Code § 6-1.1-15-5 and the Indiana Tax Court's rules. To initiate a proceeding for judicial review you must take the action required not later than forty-five (45) days after the date of this notice. The Indiana Code is available on the Internet at <<http://www.in.gov/legislative/ic/code>>. The Indiana Tax Court's rules are available at <<http://www.in.gov/judiciary/rules/tax/index.html>>.